

TEXAS APPRAISER LICENSING §  
AND CERTIFICATION BOARD

vs.

KATHY ANN DALTON  
TX-1323550-R§  
§  
§  
§  
§  
§DOCKETED COMPLAINT NO.  
10-268**AGREED FINAL ORDER**

On this the 17 day of Feb, 2012, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Kathy Ann Dalton (Respondent).

In order to conclude this matter Kathy Ann Dalton neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein and further agrees to the disciplinary action set out in this Agreed Final Order. The Board makes the following findings of fact and conclusions of law and enters this Order in accordance with TEX. OCC. CODE § 1103.458:

**FINDINGS OF FACT**

1. Respondent, Kathy Ann Dalton, is a certified residential appraiser who currently holds TX-1323550-R and held that certification number during all times material to the above-noted complaint cases.
2. Respondent appraised 320 Mockingbird Lane, Springtown, Parker County, Texas 76082 (the "property") on or about August 7, 2007.
3. Thereafter, a complaint relating to the real estate appraisal report was filed with the Board. The complaint that the Respondent produced an appraisal report that contained violations of the Uniform Standards of Professional Appraisal Practice (USPAP).
4. After receipt of the complaint, the Board, in accordance with the mandate of the Administrative Procedure Act (the APA), TEX. GOV'T CODE ANN. CHPT. 2001, and TEX. OCC. CODE CHPT. 1103, notified Respondent of the nature of the accusations involved and Respondent was afforded an opportunity to respond to the accusations in the complaints. Respondent's response to the complaint was received.
5. Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal report for the property:
  - a) Respondent failed to comply with the record-keeping provisions of the Ethics Rule;

- b) Respondent failed to comply with the provisions of the Competency Rule;
  - c) Respondent failed to comply with the provisions of the Scope of Work Rule;
  - d) Respondent failed to adequately identify and report the site description;
  - e) Respondent incorrectly reported the zoning classification;
  - f) Respondent failed to identify and analyze economic supply and demand, and market area trends;
  - g) Respondent failed to provide her supporting rationale for her determination of the property's highest and best use;
  - h) Respondent failed to use an appropriate method or technique to develop an opinion of the site value; failed to collect, verify, analyze and reconcile the cost new of improvements and accrued depreciations; and generally failed to employ recognized methods and techniques for the Cost Approach;
  - i) Respondent failed to collect, verify, analyze and reconcile comparable sales data; and did not employ recognized methods and techniques in the Sales Comparison Approach;
  - j) Respondent failed to analyze the sales contract and all sales of the subject within 3 years prior to the effective date of the appraisal; and,
  - k) Respondent's report contains substantial errors of commission or omission as detailed above which resulted in a misleading appraisal report for the property.
6. Respondent omitted material facts and made material misrepresentations as described in more detail above.
7. The parties enter into the following consent order in accordance with TEX. OCC. CODE § 1103.458.

## CONCLUSIONS OF LAW

1. The Texas Appraiser Licensing and Certification Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103 et. seq.
2. Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Ethics Rule (record-keeping); USPAP Competency Rule; USPAP Scope of Work Rule; 1-2(h); 1-

2(e)(i) & 2-2(iii); 1-3(a) & 2-2(b)(viii); 1-3(b) & 2-2(ix); 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-5(b) & 2-2(b)(viii); 1-1(a), (b) & (c); and 2-1(a).

3. Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omitting material facts.

Based on the above findings of fact and conclusions of law, the Board **ORDERS** that the Respondent shall:

a. Within 6 months of the effective date of this order, Respondent shall complete 8 hours of in-person mentorship conducted by a certified USPAP instructor approved by the Board. Upon completion of the requisite mentorship hours, within 6 months of the effective date of this order, Respondent shall submit on a form provided by the Board, a signed, notarized affidavit attested by the certified USPAP instructor confirming completion of the mentorship hours;

b. After the completion and submission of the mentorship hours, for a 6 month review period Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every 3 months and shall detail all real estate appraisal activities she has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of her appraisal reports and work files for any appraisal assignments she performs during the course of this six months review period within the twenty days of notice of any such request; and,

c. Comply with all future provisions of the Act, the Rules of the Board, and USPAP in the future or be subjected to further disciplinary action.

Failure to comply with any of the terms of this Agreed Final Order within the time allotted shall result in **IMMEDIATE SUSPENSION** of the Respondent's license or certification pursuant to notice to the Respondent from the Board indicating that the Respondent has not fulfilled the requirements of this Agreed Final Order.

**ANY SUCH SUSPENSION SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS.** Respondent shall be notified of any such suspension by certified mail, return receipt requested, to the last known address as provided to the Board.

Respondent, by signing this Agreed Final Order, waives the Respondent's right to a formal hearing and any right to seek judicial review of this Agreed Final Order. Information about

this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published on the Board's web site.

THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

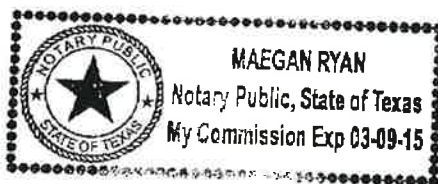
Signed this 7 day of February, 2012.

  
KATHY ANN DALTON

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 7<sup>th</sup> day of February, 2012, by KATHY ANN DALTON, to certify which, witness my hand and official seal.

  
Notary Public Signature

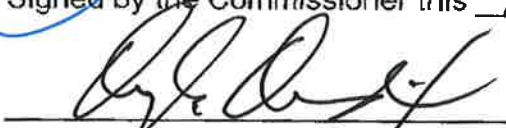
Maegan Ryan  
Notary Public's Printed Name



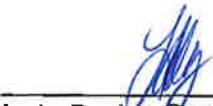
Signed by the Standards and Enforcement Services Division this 16<sup>th</sup> day of February, 2012.

  
Kyle Wolfe, TALCB Staff Attorney

Signed by the Commissioner this 17 day of Feb, 2012.

  
Douglas E. Oldmixon, Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 17 day of Feb, 2012.

  
Luis De La Garza, Chairperson  
Texas Appraiser Licensing and Certification Board